ACQUISITION THE SIMPLIFIED WAY: Smarter, Faster, Better

Tomorrow's Innovations Here Today

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9 June 1999

Policy

"In addition to the other considerations, contracting officers shall--(4) use innovative approaches, to the maximum extent practicable, in awarding contracts using simplified acquisition procedures." [FAR 13.003(h)]

Objectives

- Minimize transaction cost
- Reduce administrative lead time
- Achieve customer success

NAWCTSD Simplified Acquisition Procedures (SAP)

- With acquisition reform changes, SAP has become a very powerful tool for responding quickly to customer needs for small to medium dollar value buys
- Applicable to all acquisitions between $2,500 and $100,000 and for commercial items up to $5,000,000
- Combined synopsis/solicitation procedure for commercial items is particularly valuable, both for sole source and competitive buys; cuts synopsis time from 45 days to 21 days and expedites evaluation process, thereby resulting in much quicker awards

Summary of Available Simplified Acquisition Procedures Techniques

- Purchase Card
  - Micro-Purchases
  - Above micro-purchase level up to $25,000 with Letter(s) of Agreement
  - Method of payment up to $100,000
- Direct Award of 8(a) Purchase Orders
- Combined Synopsis/Solicitation for Commercial Items
  - Sole source
  - Competitive
- DD 1556 for Formal Training Requirements
  - Up to $25,000
  - Bypass Contracts and go directly to the Training Officer, Code 735 for EOB Centerwide funded Training; cognizant BFM for Project funded training; other competency cardholders for OPTAR funded cardholders

Government-Wide Purchase Card Program

- Purchase card currently mandated for use, as a method of purchase, for all micro-purchases, unless exempted by a Flag or SES-level determination
- Purchase card may be used as a method of payment up to $100,000
- Purchase card may be used to place a task or delivery order (if authorized in the basic contract, basic ordering agreement, or blanket purchase agreement) [FAR 13.301(c)(3)]. (If for actions above $2,500 with a large business, would appear to overcome small business set-aside requirements.)

Purchases of Commercial Items Valued from Above $2,500 to $25,000 Using the Government-Wide Commercial Purchase Card

- Combines
  - Oral solicitations
  - New commercial items procedures
  - Simplified acquisition procedures
  - Government-wide commercial purchase card
- Procedures allow for oral solicitations and orders with payment made by purchase card
- Utilizes Letter of Agreement and orders thereunder--analogous to Blanket Purchase Agreement (BPA) with “calls”
- Would appear to be limited normally to small business vendors
- Multiple sources required if sole source not justified

Direct Award of 8(a) Contracts

- Authorized by MOU dated 6 May 1998 between DoD and SBA (Expiration Date: 5 May 2000)
- SBA signature not required; synopsis not required
- For sole source purchase orders not exceeding the simplified acquisition threshold of $100,000:
  - No search letter or offering letter is necessary
  - Oral solicitations and/or oral quotations can be used when appropriate
  - Contractor's written acceptance of purchase order or modification is not required
  - Concurrent with providing the purchase order to the 8(a) contractor, a copy of the purchase order, together with a notice referencing the MOU, is provided to the SBA; notice also will indicate that the 8(a) contractor is deemed eligible for award and will automatically begin work under the purchase order unless, within two working days, advised that the 8(a) contractor is ineligible for award

Direct Award of 8(a) Contracts

- For contracts, other than purchase orders which do not exceed the simplified acquisition threshold of $100,000, the SBA has five days after receipt of an offering letter to accept or reject
- No change to existing rules that:
  - 8(a) contracting actions need not be synopsized, and
  - An 8(a) contract, sole source or competitive, may not be awarded if the price of the contract exceeds a fair market price

Test Program for Certain Commercial Items (FAR 13.5)

- Applies to procurements for which solicitations are issued on or before 31 Dec 1999
- Permits use of simplified acquisition procedures up to $5,000,000 when offers will include only commercial items
- Intended to simplify the solicitation, offering, evaluation and award
- Program to be employed to the maximum extent practicable
- Requirements in FAR Part 12, Acquisition of Commercial Items, apply

Streamlined Procedures for Evaluation and Solicitation for Commercial Items (FAR 12.6)

- Intent: To simulate customary commercial practices
- Permits streamlined solicitations by using a “combined synopsis/solicitation” which is published only in the Commerce Business Daily
- Appropriate where solicitation is relatively simple; a separate written solicitation is not issued
- Response time for offerors is one which “will afford potential offerors a reasonable opportunity to respond,” although “for acquisitions subject to NAFTA or Trade Agreements Act (currently $190,000 and above), the period of time between publication of the synopsis notice and receipt of offers shall be no less than 40 days.” This has been a valuable provision for sole source spares buys. (A J&A is still required, though, if the estimated value exceeds $100,000.)

Streamlined Procedures for Evaluation and Solicitation for Commercial Items (FAR 12.6)

- Permits streamlined evaluation of offerors by not requiring subfactors and, when using simplified acquisition procedures, by not requiring relative importance of evaluation factors to be described
- "Trade-off" source selection evaluation method is normally appropriate, but can be as simple as technical (capability of the item offered to meet the agency need), price and past performance (mandatory for acquisitions exceeding $100,000 beginning 1 Jan 1999), listed in descending order of importance
- Past performance, when using simplified acquisition procedures, does not require the creation or existence of a formal database and may be based on information provided by the offeror, the Contracting Officer's knowledge of and previous experience with the supply or service being acquired, customer surveys, or other reasonable basis

Typical Buys

- Information Technology
- Component Upgrades and Replacements
- Site Survey and Installation of Office Equipment
- Base Operating Support Services
- Furniture
- Spares

Specific Examples

- Safety replacement windows on aviation physiology low pressure chamber ($330K; protest defined by GAO)
- Replacement seats on water egress trainer ($650K)
- Installation of fire suppression system in aviation trainer ($150K)
- Software modules for automated electronic classroom ($750K)
- Computer image generator ($900K)
- Public address system ($100K)
- Upgrade visual system for KC-130 simulators (estimated value $4.9M; in process)

Overall Benefits

- Shorter cycle times
- Minimal administrative costs
- Competitive prices
- Excellent small business participation
- On-time delivery more likely
- High customer satisfaction